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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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John W. Torget

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21967

7590

06/13/2005

HUNTON & WILLIAMS LLP
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WASHINGTON, DC 20006-1109

EXAMINER

ABDI, KAMBIZ

ART UNIT

PAPER NUMBER

3621

DATE MAILED: 06/13/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/800,997

Applicant(s)

TORGET ET AL.

Examiner

Kambiz Abdi

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 07 April 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-28 and 66 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-28 and 66 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

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DETAILED ACTION

1. Claims 1-28 and 66 have been examined and are pending.

Response to Declaration

2. The declaration filed on 7 April 2005 under 37 CFR § 1.131 has been considered but is ineffective to overcome the Yamaguchi reference for the following reasons. Insufficient Evidence of Conception, Reduction to Practice and Diligence Before References Date.

3. **Formal Requirements of Affidavits and Declarations (MPEP 715.04)**

The following parties may make an affidavit or declaration under 37 CFR 1.131:

- (A) All the inventors of the subject matter claimed.
- (B) An affidavit or declaration by less than all named inventors of an application is accepted where it is shown that less than all named inventors of an application invented the subject matter of the claim or claims under rejection. For example, one of two joint inventors is accepted where it is shown that one of the joint inventors is the sole inventor of the claim or claims under rejection.
- (C) If a petition under 37 CFR 1.47 was granted or the application was accepted under 37 CFR 1.42 or 1.43, the affidavit or declaration may be signed by the 37 CFR 1.47 applicant or the legal representative, where appropriate.
- (D) The assignee or other party in interest when it is not possible to produce the affidavit or declaration of the inventor. Ex parte Foster, 1903 C.D. 213, 105 O.G. 261 (Comm'r Pat. 1903).

The Declaration is only signed Mr. Kevin Watters and as none of the aforementioned conditions have been met it does not comply with the formal requirements set forth. Accordingly, the declaration is of no effect.

For the purpose of compact prosecution, the examiner provides a brief explanation of other deficiencies found in the Declaration. Note that these comments are not meant to be comprehensive. They are merely designed to assist Applicants should they choose to file additional affidavits.

4. **Conception:**

Conception is the mental part of the inventive act, but it must be capable of proof, as by drawings, complete disclosure to another person, etc. In *Mergenthaler v. Scudder*, 1897 C.D. 724, 81 O.G. 1417 (D.C. Cir. 1897), it was established that conception is more than a mere vague idea of how to solve a problem; the means themselves and their interaction must be comprehended also (MPEP 715.04, page 70-250)

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a. The declaration is only signed by Mr. Kevin Watters, which is less than all named inventors of the application. A declaration by less than all named inventors of an application is accepted where it is shown that less than all named inventors of an application invented the subject matter of the claim or claims under rejection (See MPEP 715.04(B)). In this application, the applicant states that he is the sole inventor of claims 1-3, 10-11, 15-16, 18-20, 25, 27, and 66 only, however, claims 4-9, 12-14, 17, 21-24, 26 and 28 have been rejected in view of the Yamguchi and Martin references and Chapman was further cited in the rejection of claim 14. The facts set forth in the declaration seem to pertain to the subject matter of claims 1-3, 10-11, 15-16, 18-20, 25, 27, and 28 only, when the references were cited in the rejection of all claims (claims 1-28 and 66 as discussed above). The declaration, even though signed by fewer than all the joint inventors, must show completion of the invention by all of the joint inventors of the subject matter of the claim(s) under rejection (See MPEP 715.04). Since the claims under rejection are claims 1-28 and 66, the applicant must show completion of the subject matter of all the claims by the joint inventors since the claims recite different subject matter.

6. Reduction to Practice:

715.07(a) -Where conception occurs prior to the date of the reference, but reduction to practice is afterward, it is not enough merely to allege that applicant or patent owner had been diligent. Ex parte Hunter, 1889 C.D. 218, 49 O.G. 733 (Comm'r Pat. 1889). Rather, applicant must show evidence of facts establishing diligence.

b. The showing of facts submitted is insufficient in character and weight as to sufficiently establish a reduction to practice and/or diligence. Original exhibits such as drawings, sketches, blueprints, photographs, notebook entries, models or statements by witnesses must accompany and form part of the affidavit or declaration or their absence satisfactorily explained. Applicant has provided no such exhibits as the one stated above, to sufficiently establish the alleged actual reduction to practice and/or diligence (See 37 CFR 1.131(b)). In paragraphs 16-19 page 3 states that from August 28, 2000 to early 2001 "Torget worked with IBM to adapt IBM technology to carry out our *ideas*". Clearly the fact here is that

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there was no reduction to practice up to at least the stated date above August 28, 2000, which places the alleged invention claimed in the claims, after the publication date of the June 28, 2000 of Yamaguchi.

c. The evidence submitted is insufficient to establish diligence from a date prior to the date of reduction to practice of the Yamaguchi reference to either a constructive reduction to practice or an actual reduction to practice. Applicant has alleged that conception or a reduction to practice occurred prior to the effective date of the references. If Applicant does not desire to disclose his or her actual dates, he or she may merely allege that the acts referred to occurred prior to a specified date. However, the actual dates of acts relied on to establish diligence must be provided. See MPEP § 705.07 and 715.07(a) regarding the diligence requirement. In fact there has been no additional documentation or evidence been submitted by the applicant except the statements within the affidavit. There are no specific supporting documents submitted by the applicant to assist the examiner to clearly discern the conception, and reduction to practice of the alleged invention.

In conclusion, the Affidavit fails because of improper execution, no showing of reduction to practice of the claimed invention, no showing of conception of the claimed invention and no showing of diligence.

Response to Arguments

5. Applicant's arguments filed 7 April 2005 have been fully considered but they are not persuasive. As per claims 4-9, 12-13, 17, 21-24, 26 and 28 under 35 USC § 103(a) rejections the argument is the same as above. Therefore the rejection of claims 1-28 and 66 is maintained.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

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7. Claims 1-3, 10-11, 15-16, 18-20, 25, 27, and 66 are rejected under 35 U.S.C. 102(a) as being anticipated by European Patent Application No. EP 1-014-318 A2 to Takashi Yamaguchi.

8. As per claims 1, 18 and 66, Yamaguchi discloses a system its method and electronically readable medium for remotely generating an instrument, comprising:

- a) a processor that receives from a customer a request for the instrument (See Yamaguchi abstract, figures 2 step S8, and paragraph [0010] and [0023]);
- b) generates the instrument in electronic form (See Yamaguchi abstract, figures 2 step S11, and paragraph [0010]-[0013] and [0025]);
- c) adds a first security image in electronic form to the electronic form of the instrument to create a composite image (See Yamaguchi abstract, figures 2 step S12, and paragraph [0010]-[0013] and [0025]); and
- d) a communications module that transmits the composite image in electronic form to the customer for printing by the customer (See Yamaguchi abstract, figures 2 step S12, and paragraph [0010]-[0013] and [0025]-[0026], where transmits corresponds to sent).

9. As per claims 2 and 19, Yamaguchi discloses all the limitations of claims 1 and 18, wherein the first security image comprises a watermark that appears as a part of the composite image when printed (See Yamaguchi figures 3-8, paragraphs [0034], [0044], [0049]-[0050] and [0062], where watermark corresponds to data to be embedded in the image data in the invisible state).

10. As per claim 3 and 20, Yamaguchi discloses all the limitations of claims 2 and 19, wherein the first security image is invisible on a photocopy of the instrument (See Yamaguchi abstract, figures 2 step S12, and paragraph [0010]-[0013], [0034]-[0035], and [0084]-[0084]).

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11. As per claim 10, Yamaguchi discloses all the limitations of claim 1, wherein the instrument comprises a monetary instrument (See Yamaguchi figure 23, paragraph [0092], where monetary instrument corresponds to enable a user issue what has a value equal to money).

12. As per claim 11, Yamaguchi discloses all the limitations of claim 10, wherein the instrument represents certified funds (See Yamaguchi figure 23, paragraph [0092], where monetary instrument corresponds to enable a user issue what has a value equal to money like postage stamps. Stamps are certified funds used for variety of transactions and fee payments especially in official correspondents).

13. As per claim 15, Yamaguchi discloses all the limitations of claim 10, wherein the request comprises at least one of an amount, a denomination and a currency of the monetary instrument (See Yamaguchi figure 3, and paragraphs [0010]-[0013] [0023] and [0031]).

14. As per claims 16 and 27, Yamaguchi discloses all the limitations of claims 1 and 18, further comprising a step of e) associating a unique identification number with the instrument (See Yamaguchi figure 3, and paragraphs [0010]-[0013] [0023], [0031] and [0035]).

15. As per claim 25, Yamaguchi discloses all the limitations of claim 18, wherein the instrument comprises a monetary instrument that represents certified funds (See Yamaguchi figure 23, paragraph [0092], where monetary instrument corresponds to issue what has a value equal to money) and the instrument represents certified funds (See Yamaguchi figure 23, paragraph [0092], where monetary instrument corresponds to enable a user issue what has a value equal to money like postage stamps. Stamps are certified funds used for variety of transactions and fee payments especially in official correspondents).

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16. Examiner has pointed out particular references contained in the prior arts of record in the body of this action for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the response, to consider fully the entire references as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior arts or disclosed by the examiner.

Claim Rejections - 35 USC § 103

17. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

18. Claims 4-9, 12-13, 17, 21-24, 26, and 28 are rejected under 35 U.S.C. 103(a) as being unpatentable over European Patent Application Publication No. EP 1-014-318 A2 to Takashi Yamaguchi in view of U.S. Patent No. 6,390,362 to David A. Martin.

19. As per claim 4-6 and 21-22, Yamaguchi discloses all the limitations of claims 3 and 20, further; What Yamaguchi is not explicit is the composite image is for printing on a medium having a second security image, the second security image is invisible on the instrument and is visible on a photocopy of the instrument, the second security image comprises the word "void".

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However, Martin clearly discloses the presence of secondary security image on the instrument visible only when the instrument has been copied and displaying the word "Void" (See Martin column 2, lines 11-15 and 21-24 and column 4, lines 21-39).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to further include additional security images such as pantographs spelling out certain words or images (Void or Copy, etc.) for the motivation of better security and fraud prevention.

20. As per claim 7-9 and 23-24, Yamaguchi discloses all the limitations of claims 1 and 18, further;

What Yamaguchi is not explicit is the composite image is for printing on a medium having a second security image, the second security image is invisible on the instrument and is visible on a photocopy of the instrument, the second security image comprises the word "void".

However, Martin clearly discloses the presence of secondary security image on the instrument visible only when the instrument has been copied and displaying the word "Void" (See Martin column 2, lines 11-15 and 21-24 and column 4, lines 21-39).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to further include additional security images such as pantographs spelling out certain words or images (Void or Copy, etc.) for the motivation of better security and fraud prevention.

21. As per claims 12, Yamaguchi discloses all the limitations of claim 11, further;

What Yamaguchi is not explicit and specific is the instrument is generated by an issuing financial institution, the funds are certified by the issuing financial institution and the customer holds a deposit account with the issuing financial institution.

However, Martin clearly discloses that a financial entity such as a bank is the generator of the instrument and the bank is grantor of the payment of the face amount to the payee from the payer's account held at the bank (See Martin abstract, column 3, line 55-column 4, line 2 and column 8, lines 10-19).

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Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to have the financial institution certify the financial instrument created and drawn on an account of an account holder and printed for the motivation of further security of the financial or negotiable instrument and presence of the funds to cover such instrument.

22. As per claim 13, Yamaguchi discloses all the limitations of claim 12, further;

What Yamaguchi is not explicit and specific is the funds are withdrawn from the customer's deposit account.

However, Martin clearly discloses that the funds are withdrawn from the customer's deposit account. (See Martin abstract, column 3, line 55-column 4, line 2 and column 8, lines 10-19).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to have the financial institution withdraw the funds from the account of the account holder for the motivation of further security of the financial or negotiable instrument and presence of the funds to cover such instrument.

23. As per claim 26, Yamaguchi discloses all the limitations of claim 25,

What Yamaguchi is not explicit and specific is the instrument is generated by an issuing financial institution, the funds are certified by the issuing financial institution and the customer holds a deposit account with the issuing financial institution.

However, Martin clearly discloses that a financial entity such as a bank is the generator of the instrument and the bank is grantor of the payment of the face amount to the payee from the payer's account held at the bank (See Martin abstract, column 3, line 55-column 4, line 2 and column 8, lines 10-19).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to have the financial institution certify the financial instrument created and

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drawn on an account of an account holder and printed for the motivation of further security of the financial or negotiable instrument and presence of the funds to cover such instrument.

24. As per claims 17 and 28, Yamaguchi discloses a system and method that remotely generates an instrument representing certified funds, the system comprising;

- a) a processor that receives a request from a customer for the instrument (See Yamaguchi abstract, figures 2 step S8, and paragraph [0010] and [0023]),
- b) generates the instrument in electronic form (See Yamaguchi abstract, figures 2 step S11, and paragraph [0010]-[0013] and [0025]),
- c) adds a first security image in electronic form to the electronic form of the instrument to create a composite image (See Yamaguchi abstract, figures 2 step S12, and paragraph [0010]-[0013] and [0025]);
- d) a communications module that transmits the composite image in electronic form to the customer for printing by the customer (See Yamaguchi abstract, figures 2 step S12, and paragraph [0010]-[0013] and [0025]-[0026], where transmits corresponds to sent),
- e) wherein the first security image comprises a watermark that appears as a part of the composite image when printed (See Yamaguchi figures 3-8, paragraphs [0034], [0044], [0049]-[0050] and [0062], where watermark corresponds to data to be embedded in the image data in the invisible state),
- f) is invisible on a photocopy of the instrument (See Yamaguchi abstract, figures 2 step S12, and paragraph [0010]-[0013] and [0034]),

What Yamaguchi is not explicit is the composite image is for printing on a medium having a second security image the second security image is invisible on the instrument and is visible on a photocopy of the instrument.

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However, Martin clearly discloses the presence of secondary security image on the instrument visible only when the instrument has been copied (See Martin column 2, lines 11-15 and 21-24 and column 4, lines 21-39).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to further include additional security images such as pantographs spelling out certain words or images (Void or Copy, etc.) for the motivation of better security and fraud prevention.

What Yamaguchi is not explicit and specific is the instrument is generated by an issuing financial institution, the funds are certified by the issuing financial institution and the customer holds a deposit account with the issuing financial institution.

However, Martin clearly discloses that a financial entity such as a bank is the generator of the instrument and the bank is grantor of the payment of the face amount to the payee from the payer's account held at the bank (See Martin abstract, column 3, line 55-column 4, line 2 and column 8, lines 10-19).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to have the financial institution certify the financial instrument created and drawn on an account of an account holder and printed for the motivation of further security of the financial or negotiable instrument and presence of the funds to cover such instrument.

25. Claim 14 is rejected under 35 U.S.C. 103(a) as being unpatentable over European Patent Application Publication No. EP 1-014-318 A2 to Takashi Yamaguchi in view of U.S. Patent No. 5,432,506 to Thomas R. Chapman.

26. As per claim 14, Yamaguchi discloses all the limitations of claim 10, further;

What Yamaguchi is not explicit and specific is the instrument comprises at least one of a stock certificate and a bond (See Yamaguchi figure 23, paragraph [0092], where monetary instrument

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corresponds to issue what has a value equal to money. As per disclosure of Dictionary of Finance and Investment Terms, fifth edition).

However, Chapman clearly discloses that the an instrument can be checks, money orders, stock certificates, passports, other financial instruments, or other documents subject to counterfeiting and forgery (See Chapman abstract, column 1, lines 53-68, and column 4, lines 64-68).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the current invention was made to include other financial instruments as well as other documents subject to counterfeiting and forgery such as bonds and stock certificates for the motivation of further broadening of the usefulness of the Yamaguchi's invention.

27. Examiner has pointed out particular references contained in the prior arts of record in the body of this action for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the response, to consider fully the entire references as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior arts or disclosed by the examiner.

Conclusion

28. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

29. A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action

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is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the mailing date of this final action.

30. Any inquiry of a general nature or relating to the status of this application or concerning this communication or earlier communications from the examiner should be directed to **Kambiz Abdi** whose telephone number is **(571) 272-6702**. The Examiner can normally be reached on Monday-Friday, 9:30am-5:00pm. If attempts to reach the examiner by telephone are unsuccessful, the Examiner's supervisor, **James Trammell** can be reached at **(571) 272-6712**.

31. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://portal.uspto.gov/external/portal/pair>.

Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Any response to this action should be mailed to:

**Commissioner of Patents and Trademarks
Washington, D.C. 20231**

or faxed to:

(703) 305-7687 [Official communications; including After Final communications labeled "Box AF"]

(703) 308-1396 [Informal/Draft communications, labeled "PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to the Examiner in the

Knox Building, 50 Dulany St. Alexandria, VA.

Kambiz Abdi
Examiner



June 6, 2005